

The Hon. Ricardo S. Martinez

UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

UNITED STATES OF AMERICA,

Plaintiff,

v.

\$213,159.84 IN U.S. FUNDS, AND ANY
ACCRUED INTEREST, *et al.*,

Defendants.

and

EUGENE MCGEE,

Claimant.

NO. CV21-1315-RSM

**SETTLEMENT AGREEMENT
AND FINAL ORDER OF
FORFEITURE**

WHEREAS Plaintiff United States of America, by and through Tessa M. Gorman,
United States Attorney for the Western District of Washington, and Krista K. Bush,
Assistant United States Attorney, and Claimant Eugene McGee (hereinafter “Claimant
McGee”), by and through counsel, Emily Gause, wish to resolve this matter without
additional utilization of judicial resources and without incurring further litigation
expenses,

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1 IT IS HEREBY STIPULATED as follows:

2 This civil *in rem* forfeiture proceeding was brought by the United States against
3 the following property (collectively, the “Defendant Property”):

- 4 1. \$213,159.84 in U.S. Funds, and any accrued interest, seized on or about
5 April 22, 2021 by the Federal Bureau of Investigation (“FBI”) from a Bank
6 of America account ending -9110, held in the name of EMC Enterprises
7 LLC, in Seattle, Washington (the “Defendant Funds”);
- 8 2. \$5,708 in U.S. Currency, and any accrued interest, seized by the FBI from
9 29112 9th Place South, Federal Way, Washington, on or about April 7,
10 2021 (the “Defendant Currency”); and
- 11 3. One 2015 Chevrolet Corvette, Washington License Plate BEZ4000, VIN:
12 1G1YS3D62F5606756, seized by the FBI from 29112 9th Place South,
13 Federal Way, Washington, on or about April 7, 2021 (the “Defendant
14 Vehicle”).

15 Dkt. No. 1.

16 On April 7, 2021, law enforcement officers lawfully executed a valid search
17 warrant at a residence associated with Claimant McGee at 29112 9th Place South, Federal
18 Way, Washington (“Claimant McGee’s residence”), where they seized, *inter alia*, \$5,708
19 in U.S. currency, a 2015 Chevrolet Corvette, seven cell phones, and financial documents
20 showing Claimant McGee was both buying and renovating properties for resale and
21 renting properties that he purchased. Agents also located various bank records associated
22 with Claimant McGee and EMC Enterprises LLC. On April 22, 2021, pursuant to a
23 lawfully executed forfeiture seizure warrant, law enforcement officers seized
24 \$213,159.84 in funds from a financial account at Bank of America held in the name of
25 EMC Enterprises LLC. Claimant McGee is the sole member, governor, and controlling
26 person of EMC Enterprises LLC. The Defendant Property is also subject to forfeiture in a
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1 related criminal case, *United States v. Eugene McGee, et al.*, CR21-058-RSM (the
2 “Related Case”).

3 In its Verified Complaint for Forfeiture *in Rem*, the United States alleged that the
4 Defendant Property is proceeds from the sale of controlled substances and/or attempt or
5 conspiracy to distribute controlled substances and, therefore, is forfeitable to the United
6 States pursuant to 21 U.S.C. § 881(a)(6) for violations of 21 U.S.C. §§ 841 and 846. Dkt.
7 No. 1. The United States further alleged that the Defendant Funds are also forfeitable
8 pursuant to 18 U.S.C. § 981(a)(1)(A) and (C) for violations of 18 U.S.C. § 1956, money
9 laundering and/or conspiracy to launder money. *Id.*

10 The United States provided proper notice of this action to all known potential
11 claimants. Dkt. Nos. 2, 3. Further, published notice is complete, as reflected in the
12 Declaration of Publication. Dkt. No. 9.

13 On or about October 29, 2021, Claimant McGee filed a claim of ownership to the
14 Defendant Property through his undersigned counsel. Dkt. No. 8. On or about October
15 28, 2021, Claimant BECU timely filed a claim to the Defendant Vehicle. Dkt. No. 6. On
16 November 1, 2021, Claimant BECU filed an amended claim of ownership to the
17 Defendant Vehicle. Dkt. No. 11. Claimant BECU has withdrawn its claim and is no
18 longer a party to this action. Dkt. No. 17.

19 All persons and entities believed to have an interest in the Defendant Property
20 were given proper notice of the intended forfeiture when this civil forfeiture action was
21 filed and were given proper notice when the stay was lifted. No other claimants have
22 come forward to assert an interest in the forfeited property, and the time for doing so has
23 expired.

24 On November 5, 2021, the United States and Claimant McGee filed a Joint
25 Motion to Stay the civil forfeiture case until the conclusion of the related criminal
26 investigation involving Claimant McGee. Dkt. No. 13. Claimant BECU did not join the
27 Motion for Stay, but did not oppose it. *Id.* On November 5, 2021, the Court granted a stay

1 of the civil case until the conclusion of the related criminal investigation, including the
 2 criminal case involving Claimant McGee, or further order of the Court. Dkt. Nos. 13, 14.
 3 The Order directed the Parties to file a Joint Status Report by May 5, 2022, in the event
 4 this civil forfeiture case is still stayed. Dkt. No. 14.

5 The Parties filed Joint Status Reports on April 27, 2022, October 19, 2022 and
 6 March 7, 2023. Dkt. Nos. 15, 16, 18. At the request of the parties, the Court lifted the stay
 7 on September 1, 2023. Dkt. No. 20. As directed by the Court, the United States provided
 8 notice to those entities and individuals to whom the United States provided direct notice
 9 of this proceeding on or about September 28, 2021 that they have an additional 35 days
 10 from the date the Court lifted the stay, to file a claim in this proceeding. Dkt. No. 21. No
 11 other claimants have come forward to assert an interest in the forfeited property.

12 NOW THEREFORE, this SETTLEMENT AGREEMENT is entered into among
 13 the Parties pursuant to the following terms:

14 1. The parties acknowledge that this Settlement Agreement is made as a
 15 compromise of a disputed claim without adjudication of any issue of fact or law. The
 16 parties further acknowledge and agree that this settlement shall not be deemed to
 17 constitute an admission by Claimant McGee of fault, liability, or wrongdoing as to any
 18 facts or claims alleged or asserted in the Verified Complaint for Forfeiture and shall not
 19 be construed to create rights in, or grant any cause of action to, any third party not
 20 covered by this Settlement Agreement.

21 2. Claimant McGee agrees to withdraw his claims to, and consents to the
 22 forfeiture of, the following property described in paragraph 1 of the Verified Complaint
 23 for Forfeiture:

24 a. \$15,000 of the \$213,159.84 in funds seized by the FBI on April 22,
 25 2021, in Seattle, Washington, from a Bank of America account ending in -9110, held in
 26 the name EMC Enterprises LLC;

1 b. \$5,708 in U.S. currency, seized on April 7, 2021 from a residence of
2 Eugene McGee at 29112 9th Place South, Federal Way, Washington by the FBI; and

3 c. A sum of money in the amount of \$10,000, in lieu of forfeiture of
4 the 2015 Chevrolet Corvette, Washington License Plate BEZ4000, VIN:
5 1G1YS3D62F5606756, seized by the FBI from 29112 9th Place South, Federal Way,
6 Washington, on or about April 7, 2021, to be paid within 40 days of the date the Court
7 lifts the stay.

8 3. The United States agrees to dismiss from this action and return to Claimant
9 McGee the following property described in paragraphs 1(a) and (c) of the Verified
10 Complaint for Forfeiture:

11 a. \$198,159.84 of the \$213,159.84 in funds seized by the Federal
12 Bureau of Investigation on April 22, 2021, in Seattle, Washington, from a Bank of
13 America account ending in -9110, held in the name EMC Enterprises LLC; and

14 b. One 2015 Chevrolet Corvette, Washington license plate BEZ4000,
15 VIN: 1G1YS3D62F5606756, seized on April 7, 2021 from a residence of Eugene McGee
16 at 29112 9th Place South, Federal Way, Washington by the Federal Bureau of
17 Investigation, upon payment by Claimant McGee to the United States as provided in
18 paragraph 2(c) of this agreement.

19 4. Claimant McGee recognizes that the Debt Collection Improvement Act of
20 1996, 31 U.S.C. § 3716, which is administered by the Treasury Offset Program (“TOP”),
21 requires the United States Treasury to offset federal payments to collect certain
22 delinquent debts owed to the United States by a payee. Claimant McGee recognizes,
23 therefore, that the Defendant Property identified in paragraph 3 for return to him may be
24 reduced by the amount of any delinquent debt TOP is required to collect.

25 5. Claimant McGee’s withdrawal of his claims to, and his consent to forfeiture
26 of, the property set forth in paragraph 2(a) through (c) above shall be in full and complete
27 settlement and satisfaction of all civil forfeiture issues relating to the Defendant Property.

1 6. Claimant McGee agrees to release and hold harmless the United States, its
2 agents, servants, and employees (and any involved state or local law enforcement
3 agencies and their agents, servants, or employees), in their individual or official
4 capacities, from any and all claims he, or his representatives or agents, may possess, or
5 that may arise, as a result of the seizure of the above-identified property and the
6 subsequent forfeiture proceedings, including any claims for interest or attorney's fees.

7 7. Claimant McGee affirms that as the sole member and controlling person of
8 EMC Enterprises LLC, the terms of this Settlement Agreement also bind EMC
9 Enterprises LLC.

10 8. The Parties agree this Settlement Agreement is subject to review and
11 approval by the Court, as provided in the proposed Order submitted below.

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12. Upon entry of this Settlement Agreement and Final Order of Forfeiture, this action shall be DISMISSED WITH PREJUDICE and closed, and the property identified in paragraph 3 shall be returned to Claimant McGee within 60 days of entry of the Order.

Respectfully submitted,

TESSA M. GORMAN
Acting United States Attorney

DATED: December 13, 2023

s/Krista K. Bush

KRISTA K. BUSH
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DATED: December 13, 2023

s/Emily M. Gause

EMILY M. GAUSE *
Gause Law Offices, PLLC
Attorney for Claimant
Eugene McGee
130 Andover Park East, Suite 300
Tukwila, WA 98188
Telephone: (206) 660-8775
emily@emilygauselaw.com
** original document signed on December 13, 2023 and permission to e-sign and e-file obtained on December 13, 2023*

DATED: December 13, 2023

s/Eugene McGee

EUGENE MCGEE
Claimant

ORDER

The foregoing Settlement Agreement is hereby approved under the terms and conditions set forth above.

1. The following property is FORFEITED to the United States:

- a. \$15,000 in U.S. Funds, and any accrued interest, of the \$213,159.84 in U.S. Funds seized on or about April 22, 2021 by the Federal Bureau of Investigation ("FBI") from a Bank of America account ending -9110, held in the name of EMC Enterprises LLC, in Seattle, Washington;
- b. \$5,708 in U.S. currency, seized on April 7, 2021 from a residence of Eugene McGee at 29112 9th Place South, Federal Way, Washington by the FBI; and
- c. A sum of money in the amount of \$10,000, in lieu of forfeiture of the 2015 Chevrolet Corvette, Washington License Plate BEZ4000, VIN: 1G1YS3D62F5606756, seized by the FBI from 29112 9th Place South, Federal Way, Washington, on or about April 7, 2021.

2. The following property, shall be returned to Claimant McGee within 60 days of entry of this Order:

- a. \$198,159.84 of the \$213,159.84 U.S. Funds seized on or about April 22, 2021 by the FBI from a Bank of America account ending -9110, held in the name of EMC Enterprises LLC, in Seattle, Washington; and
- b. The 2015 Chevrolet Corvette, Washington License Plate BEZ4000, VIN: 1G1YS3D62F5606756, seized by the FBI from 29112 9th Place South, Federal Way, Washington, on or about April 7, 2021.

Pursuant to this agreement, the Court hereby DISMISSES this action.
IT IS ORDERED.

DATED this 15th day of December, 2023.



RICARDO S. MARTINEZ
UNITED STATES DISTRICT JUDGE

CERTIFICATE OF SERVICE

I hereby certify that on December 14, 2023, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which sends notice of the filing to all ECF participants of record.

s/Hannah G. Williams

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